FINAL BILL REPORT SSB 6382

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Synopsis as Enacted

Brief Description: Reducing the cost of state government operations by restricting compensation.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Prentice and Tom; by request of Governor Gregoire).

Senate Committee on Ways & Means House Committee on Ways & Means

Background: The programs and functions of state government are administered by numerous state agencies and institutions, the costs of which are appropriated by the Legislature. These costs include expenditures for salaries, wages, equipment, personal services contracts, and state employee travel and training.

Generally, state employment positions are either exempt, general service, or Washington Management Service (WMS). General service employees are eligible to collectively bargain if they so elect. In higher education, employee positions typically are either exempt or general services; some categories of exempt employees as well as general service employees may collectively bargain if they so elect. For example, higher education faculty and graduate students are exempt employees but may collectively bargain. For employees who collectively bargain, salary and wage increases are determined as provided in the existing contract.

The 2009 Legislature established a 12-month prohibition on salary and wage increases for exempt and WMS employees in Chapter 5, Laws of 2009 (ESSB 5460). The ban on salary increases will expire on February 18, 2010.

Summary: The prohibition on salary and wage increases for exempt and WMS employees of state agencies and institutions of higher education who are not covered by collective bargaining agreements is extended through June 30, 2011. An employer may grant a salary increase to a position for which it has demonstrated difficulty retaining qualified personnel, provided that the increase can be paid within existing resources and without adversely impacting the delivery of client services. An institution of higher education may also grant a salary increase for employees taking on additional academic duties during the summer quarter. Any agency giving a salary increase for an exempt or WMS position must submit a report to the fiscal committees of the Legislature by July 31, 2011, describing the increases

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given and the reasons for the increases. The prohibition on salary increases is expanded to include awards of cash or cash equivalents given in recognition for performance or longevity.

Votes on Final Passage:

Senate 29 14

House 94 3 (House amended) Senate 33 15 (Senate concurred)

Effective: February 15, 2010